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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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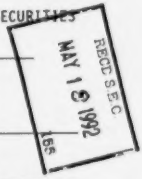
(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1992

OR

___ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____



Commission file number 0-13538

NATIONAL AFFILIATED CORPORATION
(Exact name of registrant as specified in its charter)

Louisiana	72-0947819
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

1500 Lee Street, Suite A, P.O. Box 12190, Alexandria, LA 71315
(Address of principal executive offices) (Zip Code)

PROCESSED BY
MAY 16 1992
10-9-8
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Q-Data Corp. - St. Petersburg, FL

(318) 473-4355
(Registrant's telephone number, including area code)

ormer address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ___ No ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Registrant had 3,271,968 Voting Common Shares outstanding on March 31, 1992.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Financial Statements are attached beginning at page 4.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Management's Discussion and Analysis of Financial Condition and Results of Operations is attached beginning at page 8.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

a) None
b) None
c) None
d) Not Applicable

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibit Index

Exhibit Table Number	Description of Exhibit	Sequential Numberings Location
11	Statement of Computation of Per Share Earnings	Page 10

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NATIONAL AFFILIATED CORPORATION
(Registrant)

Date May 15, 1992

By: Richard E. Peck
Richard E. Peck
Treasurer and Chief Financial Officer

NATIONAL AFFILIATED CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
MARCH 31, 1992 AND DECEMBER 31, 1991

	1992 (Unaudited)	1991
ASSETS:		
Cash	$ 257,586	$ 253,640
Invested assets:		
Fixed maturities	4,606,983	4,474,175
Equity securities	56,000	79,000
Other long-term investments	268,113	289,803
Certificates of deposit and time deposits	2,731,863	2,959,075
Investment in and advances to TNT	135,014	135,014
Accrued investment income	99,823	99,595
Finance notes receivable - net	774,684	773,377
Investment in direct financing leases - net	58,616	64,851
Other amounts receivable:		
Premiums due	66,725	41,141
Agents' balances (net of allowance for uncollectible accounts of $90,000 in 1992 and 1991)	79,672	60,710
Other	56,683	16,593
Property - net	364,948	383,626
Deferred policy acquisition costs	2,388,964	2,550,694
Other assets	41,828	41,646
TOTAL	$ 11,987,502	$ 12,222,940
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Policy benefit reserves	$ 3,721,862	$ 3,762,777
Policy claims	394,597	396,077
Unearned premiums	29,125	36,477
Dividends left on deposit	1,294,152	1,339,325
Advance premium deposits	350,966	357,128
Other policyholders' funds	25,136	32,092
Accounts payable and accruals	247,940	207,181
Long-term debt	245,539	268,720
Total liabilities	6,309,317	6,399,777
Stockholders' equity:		
Voting common shares, no par; 14,000,000 shares authorized; 3,453,507 shares issued	5,842,317	5,842,317
Additional paid-in capital	154,500	154,500
Net unrealized investment losses	(51,340)	(46,998)
Retained earnings	465,208	605,844
Subtotal	6,410,685	6,555,663
Less treasury stock - at cost (181,539 shares)	732,500	732,500
Total stockholders' equity	5,678,185	5,823,163
TOTAL	$ 11,987,502	$ 12,222,940

See notes to consolidated financial statements.

NATIONAL AFFILIATED CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	1992	1991
REVENUES:		
Insurance premiums	$ 653,742	$ 952,242
Net investment income	131,245	122,404
Finance company interest and fees	62,799	83,850
Equity in income and management fees from TNT (Note 3)	45	1,880
Other income	10,764	7,557
Total revenues	858,595	1,167,933
EXPENSES:		
Increase (decrease) in policy benefit reserves	(54,373)	69,625
Claims and other benefits	169,919	186,863
Policyholders' dividends	5,091	196,868
Commission expense	140,752	299,469
Depreciation and amortization	26,971	30,262
Interest expense	33,194	40,070
Salaries, wages and payroll taxes	199,770	232,213
Other operating expenses	316,177	277,959
Decrease in deferred policy acquisition costs	161,730	11,400
Total expenses	999,231	1,344,729
(LOSS) INCOME BEFORE INCOME TAXES	(140,636)	(176,796)
PROVISION FOR INCOME TAXES	--	--
NET (LOSS) INCOME	$ (140,636)	$ (176,796)
EARNINGS PER COMMON SHARE	$ (.04)	$ (.05)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	3,271,968	3,271,968

See notes to consolidated financial statements.

NATIONAL AFFILIATED CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	1992	1991
Cash flows from operating activities:		
Net loss	$ (140,636)	$ (176,796)
Non-cash and non-operating items:		
Net realized capital (gains) losses	(15,610)	1,738
Undistributed earnings of investee		(1,880)
Provision for uncollectible accounts receivable	2,000	7,100
Depreciation and amortization	26,971	30,262
Change in assets and liabilities:		
Deferred policy acquisition costs	161,730	11,400
Policy benefit reserves	(48,267)	86,931
Policy claims	(1,480)	100,482
Other	(32,281)	11,998
Net cash (used in) provided from operating activities	(47,573)	71,235
Cash flows from investing activities:		
Acquisitions of:		
Invested assets	(292,516)	(237,608)
Finance notes receivable	(482,435)	(691,512)
Property	(8,570)	(7,328)
Dispositions of:		
Invested assets	442,878	143,087
Finance notes receivable	479,128	442,164
Direct financing leases	6,235	5,424
Property	277	--
Agents' balances - net	(18,962)	222,803
Other	--	6,189
Net cash provided from (used in) investing activities	126,035	(116,781)
Cash flows from financing activities:		
(Withdrawals) deposits of dividends and advance premiums - net	(51,335)	36,442
Payments of debt	(23,181)	(21,850)
Net cash (used in) provided from financing activities	(74,516)	14,592
Net increase (decrease) in cash	3,946	(30,954
Cash at beginning of year	253,640	147,908
Cash at end of period	$ 257,586	$ 116,954
Supplemental cash flows disclosures:		
Interest paid	$ 33,194	$ 40,070
Income taxes paid	$ 2,000	$ 4,500

See notes to consolidated financial statements.

NATIONAL AFFILIATED CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 1992

(UNAUDITED)

NOTE 1 - REPRESENTATION BY MANAGEMENT

The unaudited consolidated financial statements included herei: reflect all adjustments which are, in the opinion of management, necessary to a fair presentation of the consolidated financial position, results of operations and cash flows for the interim periods presented.

The results of operations for the three month period ended March 31, 1992 are not necessarily indicative of the results to be expected for the entire year 1992.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

National Affiliated Corporation (the "Company") had a net loss for the three months ended March 31 of $140,692 in 1992 compared to $176,796 in 1991. Net loss per common share was $(.04) in 1992 and $(.05) in 1991.

Total assets at March 31, 1992 and December 31, 1991 were $11,987,502 and $12,222,940, respectively. Approximately 73% of total assets at March 31, 1992 were comprised of cash, invested assets, and finance notes receivable.

The primary sources of funds for insurance operations are from premiums and investment income. These funds have been and are anticipated to be sufficient to provide for expenses of servicing the insurance in force.

The primary source of funds for finance operations is from collections on notes receivable.

In February 1992 the Financial Accounting Standards Board issued Statement of Accounting Standards No. 109, entitled Accounting for Income Taxes ("SFAS 109"). SFAS 109 must be adopted by the Company in fiscal 1993. Management believes that adoption of SFAS 109 will not have a material effect upon the financial position or results of operations of the Company.

Insurance Operations

A net loss from insurance operations for the three months ended March 31, 1992 was due to amortization of deferred acquisition costs in the amount of $161,730, as compared to $11,040 for the three months ended March 31, 1991. The end results were a first quarter loss of $138,981 for 1992 as compared to $220,379 for 1991.

Premium Revenue. Premium revenue decreased to $653,742 in 1992 from $952,242 in 1991. The Company continues to incur start-up costs for new life and health insurance products and marketing programs and has developed an administrative organization capable of handling much more business than was produced this year. Consequently, revenues from new products were insufficient to cover related costs. Management expects new products to be profitable in 1992.

Finance and Cellular Operations

Net premium finance notes receivable were $774,684 at March 31, 1992 compared to $926,996 at March 31, 1991. Net loss for the three months ended March 31 was $4,641 compared to net income of $33,889 in 1991.

One of the Company's wholly-owned subsidiaries owns a 35% interest in and is general partner of Travel Network Telephone ("TNT"), a limited partnership organized to apply for non-wireline licenses in various cellular telephone markets. TNT has no ownership interests in markets other than Monroe, Louisiana. The two cells of the Monroe system are now in operation.

EXHIBIT 11

NATIONAL AFFILIATED CORPORATION AND SUBSIDIARIES

STATEMENT OF COMPUTATION OF PER SHARE EARNINGS

The weighted average number of shares outstanding for the three months ended March 31, 1992 was computed as follows:

Shares outstanding, beginning and end of period	3,271,968